

Highlights of CBO's Recent Transparency Efforts

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CBO's Role

- In 1974, CBO was established to give the Congress a stronger role in budget matters.
- The agency provides analysis of budgetary and economic issues that is objective and impartial. It is strictly nonpartisan and does not make policy recommendations.
- CBO follows processes that are specified in statute or that it has developed in concert with the budget committees and Congressional leadership. CBO's chief responsibility under the Budget Act is to help the budget committees with the matters under their jurisdiction.

CBO Provides Baseline Budget and Economic Projections

CBO prepares, and periodically updates, a 10-year budget baseline that serves as a benchmark for measuring the effects of proposed legislation.

The baseline incorporates the assumption that current laws governing spending and revenues generally remain unchanged, and it relies on CBO's forecasts of key economic factors.

Table 1-1.

CBO's Baseline Budget Projections, by Category

	Actual, 2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total	
													2023– 2027	2023– 2032
In Billions of Dollars														
Revenues														
Individual income taxes	2,044	2,623	2,579	2,542	2,539	2,771	2,970	3,049	3,170	3,301	3,436	3,582	13,400	29,938
Payroll taxes	1,314	1,465	1,572	1,625	1,669	1,726	1,786	1,853	1,923	1,995	2,072	2,150	8,378	18,372
Corporate income taxes	372	395	456	478	483	473	457	461	470	480	491	505	2,347	4,755
Other	317	354	283	279	290	310	336	352	370	385	403	424	1,498	3,433
Total	4,047	4,836	4,890	4,924	4,982	5,280	5,548	5,716	5,934	6,161	6,402	6,662	25,623	56,498
On-budget	3,095	3,782	3,754	3,737	3,753	4,008	4,229	4,347	4,514	4,689	4,875	5,078	19,481	42,984
Off-budget ^a	952	1,054	1,136	1,186	1,228	1,272	1,320	1,369	1,420	1,472	1,527	1,584	6,142	13,514
Outlays														
Mandatory	4,834	3,751	3,674	3,656	3,834	4,032	4,206	4,542	4,564	4,911	5,162	5,461	19,401	44,041
Discretionary	1,636	1,722	1,758	1,798	1,862	1,930	1,996	2,057	2,096	2,155	2,209	2,261	9,344	20,122
Net interest	352	399	442	525	604	681	756	842	925	1,007	1,099	1,194	3,009	8,075
Total	6,822	5,872	5,874	5,980	6,300	6,643	6,958	7,441	7,585	8,074	8,469	8,915	31,754	72,238
On-budget	5,819	4,794	4,688	4,705	4,942	5,208	5,436	5,826	5,872	6,258	6,546	6,887	24,979	56,368
Off-budget ^a	1,004	1,077	1,186	1,275	1,358	1,436	1,521	1,614	1,713	1,816	1,923	2,029	6,775	15,870
Total Deficit	-2,775	-1,036	-984	-1,056	-1,318	-1,364	-1,409	-1,725	-1,651	-1,912	-2,067	-2,253	-6,131	-15,740
On-budget	-2,724	-1,013	-934	-968	-1,189	-1,200	-1,207	-1,480	-1,358	-1,568	-1,671	-1,808	-5,498	-13,384
Off-budget ^a	-52	-23	-50	-88	-130	-164	-202	-245	-293	-344	-396	-445	-633	-2,356
Primary Deficit ^b	-2,423	-637	-542	-531	-714	-683	-653	-883	-726	-905	-969	-1,060	-3,122	-7,665
Debt Held by the Public	22,284	24,173	25,193	26,217	27,561	28,925	30,326	32,105	33,760	35,808	37,949	40,213	n.a.	n.a.

CBO Prepares Estimates of the Effects of Legislative Proposals

CBO is required to produce a formal cost estimate for nearly every bill approved by a full committee. The agency usually produces 600 to 800 cost estimates each year.

Those estimates include the impact of federal mandates on state, local, and tribal governments.

CBO also fulfills thousands of requests for technical assistance as lawmakers draft legislation.

Furthermore, CBO tracks appropriation actions.



March 25, 2022

At a Glance			
H.R. 1916, Ensuring Lasting Smiles Act			
As introduced in the House of Representatives on March 16, 2021			
By Fiscal Year, Millions of Dollars	2022	2022-2026	2022-2031
Direct Spending (Outlays)	0	93	255
Revenues	0	-769	-2,290
Increase or Decrease (-) in the Deficit	0	862	2,545
Spending Subject to Appropriation (Outlays)	0	0	not estimated
Statutory pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2032?	> \$5 billion	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	Yes, Over Threshold
Sources: Congressional Budget Office; staff of the Joint Committee on Taxation.			

Transparency at CBO

Transparency is a top priority for CBO, and the agency continues to bolster its efforts to be transparent.

CBO has three specific goals for transparency:

- To promote a thorough understanding of the agency's analyses through accessible, clear, and detailed communication;
- To help people gauge how estimates might change if policies or circumstances differed; and
- To enhance the credibility of the agency's analyses and processes by showing that they are grounded in data and high-quality professional research and are informed by a range of expert advice.

CBO released its most recent annual report about transparency on March 9, 2022.

Importance of CBO's Website

CBO aims to make its website as robust as possible because of the site's importance in providing broad access to the agency's work. CBO is committed to maintaining easy and equitable access to the information and analyses it provides and to ensuring that its work is promptly available to the Congress and the public.

- CBO has upgraded the open-source content management system that powers its website, as well as the open-source search platform that it uses, to the latest versions. Those upgrades provide a stronger foundation for future innovations.
- CBO has made cost estimates easier to find and search through the development of predictable URLs and additional search filters, and it is providing basic information about estimates in XML. CBO is working on providing more advanced search options.

New to CBO's Website

- CBO has begun publishing tables that include estimates for legislation expected to be considered in the House of Representatives under suspension of the rules (a process by which the House can pass a bill in an expedited manner). Those tables provide the bill's number and title, a summary of the effects on mandatory spending and revenues, and links to the bill's text and a published estimate, if available.
- CBO has created a section that compiles all estimates and supplemental materials related to the budget reconciliation process.

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Reconciliation

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Budget reconciliation is an expedited process for considering bills that would implement policies embodied in a Congressional budget resolution. Since 1980, the first year the process took place, many laws have been enacted through budget reconciliation—for example, the 2017 tax act (Public Law 115-97) and the American Rescue Plan Act of 2021 (P.L. 117-2). This page shows CBO's publications related to the reconciliation process that has occurred since the fall of 2021, pursuant to the budget resolution for fiscal year 2022 (S. Con. Res. 14).

Cost Estimate

Information About H.R. 5376, the Inflation Reduction Act of 2022

August 6, 2022

As amended in the nature of a substitute (ERN22410) and posted on the website of the Senate Majority Leader on August 6, 2022

Cost Estimate

Estimated Budgetary Effects of H.R. 5376, the Inflation Reduction Act of 2022

August 3, 2022

As Amended in the Nature of a Substitute (ERN22335) and Posted on the Website of the Senate Majority Leader on July 27, 2022

New to CBO's Website (Continued)

- CBO created a new page making its distributional analyses accessible in one place. Understanding how different outcomes for different groups of people may be linked to policies and their implementation is a high priority for CBO, and CBO is enhancing its capabilities to do such analyses.
- CBO released an enhanced interactive tool for analyzing the military's forces and resources.

The screenshot shows the Congressional Budget Office website with a dark blue header. The main content area is titled 'Distributional Analysis' and features a sidebar on the left with a menu under 'ABOUT CBO' including '10 Things to Know', 'Products', 'Processes', 'Transparency', 'Distributional Analysis', 'Objectivity', 'Organization and Staffing', 'Panels of Advisers', 'History', 'Work at CBO', 'Business Opportunities', and 'Contact Information'. The main content area displays several charts and graphs, including 'Projected Number of People in Various Groups Receiving Regular Unemployment', 'Average Federal Tax Rates, by Income', 'Sector Workers, by Education', and 'Employment-to-Population Ratios of People Ages by Sex, Birthplace, and Legal Status, 1998 to 2016'. A text box explains that CBO analyzes how economic outcomes and the allocation of federal resources vary among people by characteristics like age or birth cohort, educational attainment, income or wealth, race and ethnicity, and sex. Below the charts, there are two tabs: 'Age or Birth Cohort' and 'Educational Attainment'.

CBO's Interactive Force Structure Tool

Explore the Interaction Between Forces and Resources for National Defense

The Congressional Budget Office has estimated the operating costs (and number of assigned personnel) for every major combat unit in the U.S. armed forces. ([Learn more about CBO's approach to calculating those costs.](#)) This interactive tool is intended to illustrate the relationship between the size of the Department of Defense's (DoD's) total budget and the kinds of forces that the military fields. Users can adjust DoD's total budget (on the "Overall" tab) to see the effects on the size of the force, or they can adjust the size of the force (on the tabs for the military departments) to see the effects on budgets and forces. The tool is based on CBO's estimates of operating costs for major combat units. It also includes much simpler and more aggregated representations of DoD's spending to develop and acquire new weapons and to construct military facilities and other infrastructure.

See An Example Of How To Use This Tool

Overall Army Navy Air Force Defensewide

Specify a change to DoD's annual budget 10 years from now (the end of the usual Congressional budgeting period) or to DoD's total budget over the next 10 years. You can also specify the number of years it would take to

New to CBO's Website (Continued)

- CBO created an updated interactive workbook for investigating how changes in economic conditions could affect the agency's most recent projections published in the *Budget and Economic Outlook: 2022 to 2032*.
- CBO created an updated interactive workbook that allows users to see how revenues and outlays that differed from CBO's most recent baseline projections would increase or decrease net interest costs and thus affect deficits and debt.

1. Interactive Table: How Changes in Productivity Growth Might Affect the Federal Budget													
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
User-Specified Scenario for Annual Productivity Growth													
Increase or Decrease (-) in Productivity Growth, Relative to CBO's May 2022 Baseline (Percentage points)	n.a.	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	These initial values are the same as those used to generate the illustrative scenario shown in Worksheet 5, "Productivity_CBO."
Productivity Growth (Percent) ^a													
May 2022 baseline	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	
User-specified scenario	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
Budgetary Effects (Billions of dollars)													
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total 2023- 2027 2023-
Changes in Revenues	n.a.	-4	-8	-14	-19	-27	-35	-43	-53	-63	-74	-86	-103
Changes in Outlays													-424
Mandatory outlays	n.a.	0	-1	-1	-2	-3	-3	-4	-5	-6	-7	-9	-9
Discretionary outlays ^b	n.a.	0	0	0	0	0	0	0	0	0	0	0	0
Net interest outlays													
Effects from changes in interest rates	n.a.	0	-1	-3	-5	-7	-9	-12	-15	-18	-22	-26	-26
Debt service	n.a.	0	0	0	1	1	2	2	3	4	6	7	4
Subtotal, net interest outlays	n.a.	0	-1	-3	-4	-6	-8	-10	-12	-14	-16	-18	-22
Total Change in Outlays	n.a.	0	-2	-4	-6	-9	-11	-14	-17	-20	-23	-27	-32
Increase (-) or Decrease in the Deficit Relative to CBO's Baseline	n.a.	-3	-7	-10	-13	-18	-24	-30	-36	-44	-51	-59	-71
Deficit (-) or Surplus													
May 2022 baseline	-2,775	-1,036	-984	-1,056	-1,318	-1,364	-1,409	-1,725	-1,651	-1,912	-2,067	-2,253	-6,131
User-specified scenario	-2,775	-1,039	-991	-1,065	-1,331	-1,382	-1,433	-1,755	-1,687	-1,956	-2,119	-2,312	-6,203

This workbook supplements CBO's May 2022 report *The Budget and Economic Outlook: 2022 to 2032*.
www.cbo.gov/publication/57950

How Changes in Revenues and Outlays Would Affect Debt Service, Deficits, and Debt

Contents

1. Interactive Table: How Changes in Revenues and Outlays Would Affect Debt Service, Deficits, and Debt

2. Interest Rates on 3-Month Treasury Bills and 10-Year Treasury Notes in CBO's May 2022 Economic Forecast

About This Workbook

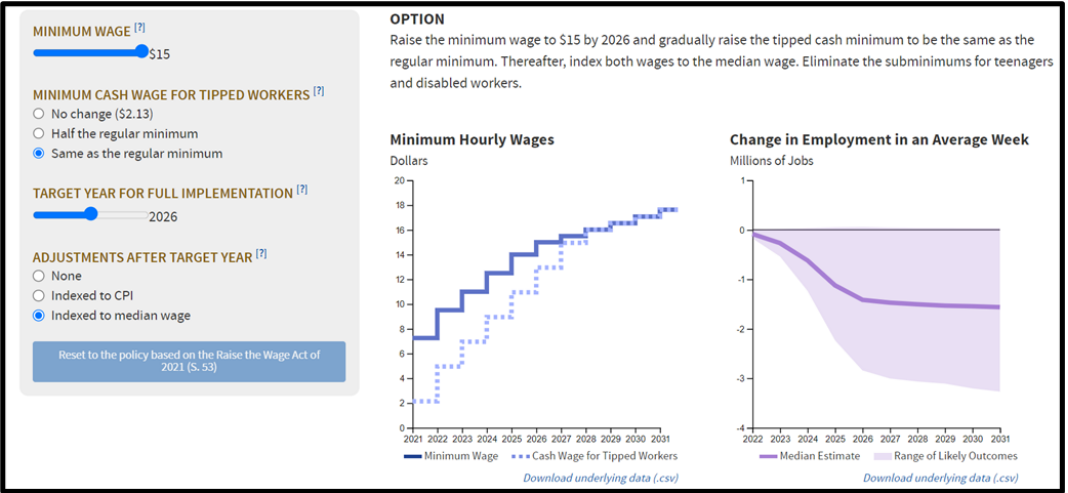
The interactive debt-service table in this workbook is similar to the model that the Congressional Budget Office uses to develop baseline projections of net interest. The worksheet allows users to see how revenues and outlays that differed from those in CBO's May 2022 baseline budget projections (www.cbo.gov/publication/57950) would increase or decrease net interest costs and thus affect deficits and debt. That change in net outlays for interest is often referred to as debt service. (A glossary of common economic and budgetary terms is available on CBO's website at www.cbo.gov/publication/42904.)

The worksheet is designed to generate results that approximate those that CBO would produce when using its methods for projecting debt-service costs to incorporate changes to revenues or outlays in its baseline projections. The results generated by

Code and Model Releases

In August 2022, CBO released an updated interactive tool, including computer code, showing how increases in the federal minimum wage could affect employment and family income.

In August 2022, CBO released an updated interactive waterfall model for projecting discretionary spending. It is a simplified version of a model used by CBO to develop baseline projections of discretionary spending, as well as cost estimates for legislation that would authorize discretionary spending.



Account Type		Salaries and Expenses										
Inflation Rates		Weights	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
		Nonwages	0.400	1.019	1.039	1.060	1.083	1.106	1.130	1.155	1.180	1.205
		Wages	0.600	1.034	1.070	1.109	1.151	1.196	1.244	1.293	1.344	1.395
		Weighted Average		1.028	1.058	1.089	1.124	1.160	1.199	1.238	1.278	1.319
Spendout Rates		Year	1	2	3	4	5	6	7	8	9	10
		Current Year 2021	0.800	0.150	0.050	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Budget Authority and Outlay Waterfall		Enter BA for Current Year (model fills in subsequent years)										
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Budget Authority (BA)		1,000	1,028	1,058	1,089	1,124	1,160	1,199	1,238	1,278	1,319	1,361
Outlays from Pre-2021 BA												
2021		800	150	50	0	0	0	0	0	0	0	0
2022			822	154	51	0	0	0	0	0	0	0
2023				846	159	53	0	0	0	0	0	0
2024					872	163	54	0	0	0	0	0
2025						899	169	56	0	0	0	0
2026							928	174	58	0	0	0
2027								959	180	60	0	0
2028									990	186	62	0
2029										1,023	192	64
2030											1,055	198
2031												1,089
Total Outlays		800	972	1,050	1,082	1,115	1,151	1,189	1,228	1,268	1,309	1,351
												12,516

Code and Model Releases (Continued)

In February 2022, CBO published an analysis of how it models effective tax rates on capital income. The agency also released the related data, code, and documentation for its model, called CapTax (written in Python), on GitHub. That supplemental information has since been updated, in May 2022.

The screenshot shows the GitHub repository page for `US-CBO / captax`. The repository is public and has 5 stars and 4 forks. The main branch is `main` with 1 branch and 0 tags. The repository contains a commit history table and a file list.

Commit	Message	Time
dcarloni	Update data and code for May 2022 baseline	1009130 on May 25 3 commits

File	Message	Time
captax	Update data and code for May 2022 baseline	2 months ago
docs	Update data and code for May 2022 baseline	2 months ago
.gitignore	Add .gitignore file.	6 months ago
CHANGE_LOG.md	Update data and code for May 2022 baseline	2 months ago
DISCLOSURES.md	Initial commit.	6 months ago
LICENSE.md	Initial commit.	6 months ago
README.md	Initial commit.	6 months ago

The right sidebar shows the repository's metadata: "No description, website, or topics provided.", "Readme", "View license", "5 stars", "4 watching", and "4 forks". The "Releases" section indicates "No releases published".

Future Plans

CBO is creating a new entry page on its website for cost estimates. The new page will make information about cost estimates easier to find by consolidating it.

CBO is working on improvements to the search function for cost estimates on its website.

CBO is working on the online version of policy options (called *Options for Reducing the Deficit*) that it periodically issues. The new volume of policy options will be published in the coming months.

CBO will continue to publish reports in HTML format to make them more accessible.

More details about forthcoming analyses and data releases are included in CBO's annual report about transparency.

For More Information

- [“How Increasing the Federal Minimum Wage Could Affect Employment and Family Income”](#) (August 2022) and related [code](#)
- [“CBO’s Waterfall Model for Projecting Discretionary Spending”](#) (August 2022)
- [“CBO’s Interactive Force Structure Tool”](#) (May 2022)
- [*Transparency at CBO: Future Plans and a Review of 2021*](#) (March 2022)
- [*CBO’s Model for Estimating the Effect That Federal Taxes Have on Capital Income From New Investment*](#) (February 2022) and related [code](#)
- [“Distributional Analysis”](#) and [“Reconciliation”](#) on CBO’s website
- [“Interactives,”](#) a continually updated list, including the updated workbooks
- [“Transparency,”](#) a continually updated list of CBO’s transparency activities

**We welcome your questions
and feedback.**

**Please contact us at
communications@cbo.gov.**